

**REQUEST FOR PROPOSAL
CONTRACT SERVICES FOR
WASTE WATER TREATMENT FACILITIES
WATER DISTRIBUTION AND WASTE WATER COLLECTION SYSTEMS**

1. INTRODUCTION

A. General Information:

The Town of Chesapeake City, Maryland (the "Town") is soliciting Proposals for Contract Services for operation and maintenance of two wastewater treatment plants, waste water collection systems, and water distribution.

The initial term of the Contract for the services is one (1) year with an optional extension periods of one (1) year each. The Contracts may contain provisions for negotiated extensions or renewals (that are not automatic) for additional terms. At the present time, these services are being performed by a Contract Service.

B. Description of Facilities:

The sewer infrastructure of the Town is divided by the Chesapeake and Delaware Canal (C&D Canal). Consequently, there are two (2) wastewater treatment plants, and two (2) wastewater collection systems. The Town is completing the design phase of a new single waste water treatment plant on the North side by combining the flows via a force main under the Canal. The anticipated completion for the new treatment plant is 18-24 months. The Town has (1) water distribution system which utilizes purchased water at the Delaware line and provides service to both sides of the canal with the culmination at the 300,000 gallon elevated water storage tank on the South side of the Canal.

The two (2) wastewater treatment plants, which received major upgrades in 1986, share virtually identical designs. Although the North WWTP is rated for 75,000 gpd and the South WWTP is rated for 88,000 gpd, both use the same unit processes. Raw sewage flows by gravity and (3) pump stations for the South system and gravity with (1) pump station for the North system. After passing through a manually cleaned bar screen, sewage enters a flow equalization or surge tank. Following the equalization tank, wastewater is split between two (2) aeration tanks and then two (2) secondary clarifiers. The secondary clarifiers are followed by a chlorine contact chamber where the effluent is disinfected and then de-chlorinated with sulfur dioxide. Cascade aeration is located at the end of each plant and is used to raise effluent dissolved oxygen concentrations. Sludge from the clarifiers is processed in a digester at each site and then placed on drying beds for dewatering. Dewatered sludge is disposed of off-site at various landfills. The location of the plants, the distribution, and the collection systems and viewed at Cecil Maps (<https://cecilmaps.ccgov.org/public/>).

The City's treatment plants are generally in fair working condition for their age and design. In recent years the wastewater treatment plants have exceeded their permitted capacity for certain periods of time. This occurs at both plants during heavy rain storms. The likely cause of this is an inflow/infiltration problem.

2. STATEMENT OF REQUEST

A. Objectives:

The Town is requesting proposals for wastewater operations and maintenance services with the intent of providing the citizens of Chesapeake City with the most cost effective and environmentally responsible solution for the operation and maintenance of their waste water systems.

B. Proposals:

The Town is requesting proposals from firms to provide Contract Services for the operation and maintenance of the Town's wastewater systems. Prospective Bidders are encouraged to submit proposals containing innovative solutions. The specific requirements of this Request for Proposals ("RFP") are outlined in detail in Section 10 - Required Proposal Format.

C. Public-Private Agreements:

This RFP is issued in general compliance with State of Maryland requirements relating to public-private agreements. It is expected that the Town will adopt the provisions of the State. Prospective Bidders should pay attention to the provisions of the State addressing:

- (i) the authority of the Town to enter into the proposed Contract(s);
- (ii) the administration of the Proposal process;
- (iii) the applicability of the public bidding and prevailing wage laws; and
- (iv) the public nature of the records of the parties to public-private agreements.

All prospective Bidders should be mindful of these provisions as well as all other applicable provisions of Federal, State, and local law.

3. PROPOSAL REQUIREMENTS

A. Terms of Contract:

Some of the facilities involved in this Proposal process were financed in whole or in part with tax-exempt bond proceeds, and future improvements may also be so funded. Federal tax regulations impose constraints on the length of a Contract and manner of compensation between a governmental entity and a private entity involving a facility financed with proceeds from tax-exempt bonds. Terms of the Contract(s), therefore, must conform to all applicable State and Federal tax laws, rulings, and regulations. All Proposals must include a statement evidencing the Bidders willingness to provide a bond counsel opinion that the Bidders operation of the facilities and the fee arrangement(s) would not adversely affect any outstanding tax-exempt bonds or any future tax-exempt bonds.

Prospective Bidders shall provide, at the time of bid submission, copies of all licenses and credentials required by local, State and Federal law to operate these facilities and any other documentation that may provide pertinent insight to their ability of operation and maintenance.

Bids will be sealed and opened on May 13, 2019 at 1:00pm. The Town Council and staff with engineering overview will open, review and rank the proposals before the public meeting.

4. RFP PROCESS

A. Question Period:

The Town understands that prospective Bidders may have questions; all questions should be in written form and received before April 29, 2019. Questions should be submitted to the Town of Chesapeake City, Attn: Rob Bernstine, Town Administrator, 108 Bohemia Avenue, Chesapeake City, Maryland 21915. Any needed Addendums will be issued on May 6, 2019.

Questions and answers will be distributed to all prospective Bidders a minimum of seven (7) days prior to the deadline for submitting Proposals. Prospective Bidders and their representatives should not communicate with other bidders, Town officials or employees during this Proposal process.

B. Pre-Proposal Meeting:

The Town will hold a pre-proposal meeting at 10:00 a.m. local time on April 24, 2019 at Town Hall, 108 Bohemia Avenue, Chesapeake City, Maryland. Attendance at this meeting is mandatory.

C. Partial Proposals:

Partial proposals will not be accepted. Prospective Bidders must submit proposals for the two (2) services.

D. Termination of Proposal:

In the event the Proposal process is terminated, Proposals will be returned to prospective Bidders without disclosing the contents. Bids will remain sealed.

E. Tour of Facilities:

A facility tour will be scheduled for all bidders immediately following the Pre Proposal Meeting. Operations shall run during the site visit meeting.

F. Access to Written Documentation:

Prospective Bidders are being provided with a set of documents, listed as Attachments in the Table of

Contents, relating to the two (2) public works services. Requests for additional documents will be considered on a case-by-case basis. Contractors will be charged a fee for additional documents.

G. Submitting Proposals:

Ten (10) copies of the completed Proposals should be forwarded by certified mail, receipt requested, at the following address no later than 12:00 pm local time on May 13, 2019.

Town of Chesapeake City
108 Bohemia Avenue
Chesapeake City, MD 21915

All envelopes must be sealed and clearly marked "Request for Proposals Contract Services". Proposals shall be in a sealed envelope inside the mailing envelope. Bidders need not provide a Bid Bond, certified check or other evidence of financial responsibility at this time. Late proposals will not be accepted. Bids will be opened and read aloud at the Council meeting on May 13, 2019 at 6:30pm.

H. Review Committee:

The Town staff and council members, with engineering overview will, review and rank the proposals within fourteen days after the bid closing date. After the review committee has reviewed the proposals, the committee may request verbal presentations by one or more Bidders.

I. Selection and Contract Negotiation:

Following the review process by Town staff, the Town Council will either select one Bidder's Proposals) or reject all proposals and terminate the process. If the recommendation is to select one (1) or more Bidder's Proposals), the Town Council will schedule public meetings on the recommendation and publish notice thereof. The Proposals and an explanation of the basis upon which the Review Committee's recommendation(s) was made will be delivered to the Town Council and made available for inspection.

After the meeting, the Town Council shall make its determination as to the most appropriate response to the Proposals and may award the Contract(s) to the successful Bidder. If unable to complete and execute a Contract with the selected Bidder within thirty (30) days, the Town reserves the right to extend or suspend the negotiations, or begin negotiation with another Bidder, or terminate all negotiations.

The Town reserves the right at any time during the Proposal process to reject, combine, divide, or modify any or all Proposals. Modification of the project may involve the elimination and/or withdrawal of one (1) or more components of the RFP from consideration. Modification of the project may also involve awarding only a portion of the Contract Services.

J. Notifying Unsuccessful Bidders:

Unsuccessful Bidders will be notified by the Town at an appropriate time.

K. Selection Criteria:

The general selection criteria used in evaluating the Proposals will include, but shall not be limited to, the following:

1. The Bidder's overall qualifications;
2. Qualifications of the proposed operators;
3. Examples of at least three similar projects with references;
4. The Bidder's ability to satisfy the Town's objectives outlined in the RFP.
5. The Bidder's ability to provide the services outlined in the RFP;
6. The Bidder's ability to provide a smooth operational transition;
7. The Bidder's ability to streamline Contract Services and oversight challenges while ensuring full compliance with the Contract(s); and
8. The fees, costs and expenses associated with the Proposals.

Cost is very important to the Town; however, it is not the controlling evaluation factor. Among equally qualified Bidders with equivalent Proposals, however, cost will be the controlling evaluation factor.

5. SCOPE OF SERVICES FOR WASTEWATER TREATMENT

A. Town Objectives:

The scope of services includes providing on-site operation and maintenance of the wastewater treatment facilities necessary to accomplish the tasks outlined below. The scope also generally includes, upon request, assistance in capital improvement program development.

1. Operating Objectives – The Bidder shall:

- Provide uninterrupted, economical operation of all waste water treatment facilities.
- Handle and treat the wastewater in a manner meeting all applicable local, State and Federal laws, regulations and rulings.
- Maintain the wastewater treatment facilities at a level that meets or exceeds current practice.
- Maintain good working relationships with the citizens, officials and employees of the Town.

- Provide the best possible service to citizens and businesses within the Town.
- Minimize the impacts of natural events that would have an effect on the entire wastewater treatment system and the waters of the State.
- Provide personnel and equipment to support the response to disasters, natural or contrived.
- Provide an operating environment that conforms with all applicable safety regulations and that minimizes the likelihood of system failure, injury, death, or property damage to all personnel, including citizens, officials, and employees of the Town along with its own employee
- Operate the plants on a rotating shift that eliminates overtime during regular daily operations. Emergencies not included.

2. Maintenance Objectives - The Bidder shall:

- Conserve the capital investment of the Town and ensure long-term reliability and efficiency of the wastewater treatment facilities by performing predictive, preventive, and corrective maintenance, upgrading and replacement.
- Develop a Preventative Maintenance Program and perform preventative maintenance on a routine basis to minimize downtime, reduce overtime hours and reduce costs for the Town.

3. Investment Objective - The Bidder shall:

- Remain current with respect to new and improved technologies in the wastewater treatment industry and keep the Town informed of the capital investment opportunities for new equipment that would lead to more efficient operation of the wastewater treatment facilities.
- Assess the current status of all relevant systems and make recommendations on any apparently necessary capital improvements that may be needed in order to improve effluent quality, reduce costs, etc.

4. Planning Objective - Upon request, the following will be expected of the Bidder:

- To provide master planning assistance to the Town in the development of a capital improvements program and an asset management program for the wastewater treatment facilities including collection and conveyances systems.

B. Scope of Services:

The agreement between the Town and the Bidder will provide the final outline of the scope of services to be provided; however, the intention is to have the Bidder take full responsibility for the day-to-day operation and maintenance of the wastewater treatment facilities.

To meet the Town's objectives, the selected Bidder will perform the following services.

1. Provide all personnel and associated wages, salaries, and benefits; material, including chemicals, fuel and vehicle expense, and other consumables; and services necessary to operate the wastewater treatment facilities in accordance with all applicable laws, regulations, statutes and guidelines. The wastewater treatment facilities shall be operated in a manner to ensure that the facilities satisfy legal and regulatory requirements. The Bidder shall assume responsibility for payment of any fines resulting from faulty operation or operation not in conformance with applicable law.
2. Provide all personnel, materials, and services necessary to support the operation of the wastewater treatment facilities including, but not limited to, management, laboratory testing, computer control system operation and maintenance, administration, purchasing, reporting, janitorial, security, residuals disposal, and building upkeep.
3. Transport, handle, and dispose of sludge, grit, screenings, disinfectant by-products, and other wastes in accordance with applicable regulations and requirements.
4. Provide full-time, response of operating personnel in case of special circumstances, such as maintenance problems, or emergencies arising from manmade or natural causes.
5. On an annual basis, establish the baseline cost for all non-personnel expenditures (i.e., services and materials) for operating wastewater treatment facilities services. This would not include expenditures for natural disasters, emergency maintenance, or capital improvements.
6. Establish and maintain an effective quality control program for upkeep maintenance and planned replacement of all major equipment. This program shall conform to industry standards and manufacturer's recommendations and shall indicate the technician performing the service and the date upon which the service is performed. The Bidder will be required to submit the quality control program to the Town for approval, and the quality control program shall not take effect until approved by the Town.
7. Provide all personnel, material, and services necessary to maintain the wastewater treatment structures, equipment, mechanical, electrical, HV AC, instrumentation, communication and computer systems adequately to ensure efficiency, long-term reliability and conservation of capital investment. Prudent maintenance must be provided in accordance with industry standards, equipment manufacturers' instructions, and operating and maintenance manuals. Provisions shall be made for enforcing existing equipment warranties and guarantees, and for maintaining all warranties on new equipment purchased after the effective date of the Contract. Provisions shall be made to employ a comprehensive maintenance program. Within 90 days of execution of the agreement, the Bidder will have completed a full review of the wastewater treatment facilities maintenance management system and made appropriate recommendations to the Town regarding the adequacy of such system.

8. Provide comprehensive monthly recording and reporting to the Town and all regulatory agencies of plant operating parameters, laboratory analysis, maintenance plans and activities, treatment results, equipment and parts inventories, manpower utilization and other relevant information in accordance with all applicable laws, regulations, ordinances, permits and guidelines.
9. Prepare detailed annual expenditure estimates and report actual amounts to the Town quarterly. The annual lump sum price shall be subject to change only due to change in the scope of services, or changes to actual operating conditions. Bidders shall provide formulas and methodology for use in adjusting annual cost.
10. Meet with representatives of the Town on a monthly basis or as requested to review operations, reports, and costs. Also conduct yearly comprehensive plant inspections with representatives of the Town to evaluate and document condition, safety, or other concerns.
11. At least annually and/or upon request by the Town, evaluate all plant equipment and buildings and notify the Town of specific capital expenditure needs for replacing or upgrading of structures, equipment, mechanical, electrical, HV AC, instrumentation, computer and communication systems.
12. Maintain professional, responsible and responsive working relationships with representatives of the Town, regulatory authorities, suppliers of material, utilities, and services, and citizens of the Town.
13. Actively pursue improvements in effectiveness, efficiency, and the cost of operations and maintenance. For each proposed improvement the calculated savings will be shared with the Town on a basis to be proposed by the Bidder and agreed upon by the Town.
14. Review and update where appropriate an Emergency Preparedness Plan for interaction and coordination with the appropriate agencies of the Town. Plan for and deal with any and all emergencies or abnormal conditions that may arise and use best efforts to maintain or restore normal operations in a timely fashion.
15. Assume and adequately insure for the risks and liabilities arising from the provision of the specified services. Provide indemnification to the Town (its officers, agents, and employees) from any loss or liability for damage or claims for personal injury, including death, as well as for claims for property damage which may arise from negligent acts or omissions of the Bidder in operating the wastewater treatment facilities.
16. The Town shall be held harmless. The Bidder shall provide insurance coverage for the following; General Liability \$1,000,000, Environmental Liability \$1,000,000, Workmen's Compensation \$100,000 to \$500,000, Sewer Backup \$50,000.
17. The Bidder shall provide a bond in the amount of one (1) years' service to the Town under the terms of the Contract. Such bond shall be security for the faithful performance of the work specified in the Contract.

18. Make provision for services to be provided during transition of operations to the Town or another Contractor in the event of termination or non-renewal of Contract.
19. The Bidder shall provide assistance to the Town in the development and implementation of the Town's capital improvement program at the Town's request. That work may include: a) participation in capital program strategic planning meetings; b) incorporating the knowledge achieved during the activities of operating and maintaining the wastewater treatment facilities into recommendations for capital improvements for the facilities; and c) providing planning services to include problem identification, evaluation of alternatives, lifecycle cost analysis, recommendations, and assistance in the development of planning reports.
20. The Town will be billed directly for and pay for all utilities associated with the waste water systems operations.

C. Additional Services:

- The Town reserves the right to approve/disapprove all subcontractor services required during the term of this contract.
- All invoicing shall be submitted directly to the Town for payment in a timely fashion.

6. SCOPE OF SERVICES FOR WATER DISTRIBUTION AND WASTEWATER COLLECTION SYSTEM

A. Town Objectives:

The scope of services includes providing full-time, on-site operation and maintenance of the water distribution systems and the wastewater collection systems.

1. Operating Objectives - Bidder shall:

- Provide uninterrupted, economical operation of the Town's water distribution system and wastewater collection systems.
- Operate the water distribution system and wastewater collection systems in a manner meeting all applicable State and Federal laws, regulations and rulings.
- Maintain the water distribution system and wastewater collection systems at a level that meets or exceeds the current practice.
- Maintain good working relationships with the citizens, officials, and employees of the Town.
- Provide the best possible service to citizens and businesses within the Town.
- Minimize the impacts of natural events that would have an effect on the entire water distribution systems and wastewater collection systems and the Waters of the State.
- Provide personnel and equipment to support the response to disasters, natural or contrived.

- Provide an operating environment that conforms with all applicable safety regulations and that minimizes the likelihood of system failure, injury, death, or property damage to all personnel, including citizens, officials, and employees of the Town along with its own employees.

2. Maintenance Objectives - The Bidder shall:

- Conserve the capital investment of the Town and ensure long-term reliability and efficiency of the water distribution systems and the wastewater collection systems by performing regularly scheduled, preventive, and corrective maintenance, upgrading and replacement.
- Develop a Preventative Maintenance Program and perform preventative maintenance on a routine basis to minimize downtime, reduce overtime hours and reduce costs for the Town

3. Investment Objective - The Bidder shall:

- Remain current with respect to new and better technology in the water distribution system and the wastewater collection industry and keep the Town informed of the capital investment opportunities for new equipment which would lead to more efficient operation of the water distribution systems and the wastewater collection systems.
- Bidders should include in their proposals suggestions regarding capital improvement projects.

4. Planning Objective- Upon request, the following will be expected of the Bidder:

- To provide master planning assistance to the Town in the development of a capital improvement program for the wastewater collection systems.

B. Scope of Services:

The agreement between the Town and the Bidder will provide the final outline of the scope of services to be provided, however, the intention is to have the Bidder take full responsibility for the day-to-day operation and maintenance of the water distribution systems and the wastewater collection systems. It is also anticipated that the agreement between the Town and the Bidder will contain a detailed list of activities to be completed as part of the operation and maintenance of the wastewater collection systems.

To meet the Town's objectives, the selected Bidder will perform the following services.

1. Provide all personnel and associated wages, salaries, and benefits; material, including chemicals, fuel and vehicle expense, and other consumables, and services necessary to operate the water distribution system and the wastewater collection systems in accordance with all applicable laws,

regulations, statutes and guidelines. The wastewater collection systems shall be operated in a manner to ensure that the systems satisfy legal and regulatory requirements. The Bidder shall assume responsibility for payment of any fines resulting from faulty operation or operation not in conformance with applicable law.

2. Provide all personnel, materials, and services necessary to support the operation of the water distribution system and the wastewater collection systems including, but not limited to, management, administration, engineering, purchasing, reporting, janitorial, security, residuals disposal, and building upkeep.
3. Provide full-time, around-the-clock availability of operating personnel in case of special circumstances, such as maintenance problems or natural disasters.
4. On an annual basis, establish the baseline cost for all non-personnel expenditures (i.e., services and materials) for operating wastewater collection facilities services. This would not include expenditures for natural disasters, emergency maintenance, or capital improvements.
5. Establish and maintain an effective quality control program for maintenance of all major equipment. This program shall conform to industry standards and manufacturer's recommendations and shall indicate the technician performing the service and the date upon which the service is performed. The Bidder shall submit the quality control plan to the Town for approval, and the quality control plan shall not take effect until approved by the Town.
6. Provide all personnel, material, and services necessary to maintain the water distribution system and the wastewater collection systems, equipment, mechanical, electrical, HV AC, instrumentation, communication and computer systems adequately to insure efficiency, long-term reliability and conservation of capital investment. Prudent maintenance must be provided in accordance with industry standards, equipment manufacturers' instructions, and operating and maintenance manuals. Provisions shall be made for enforcing existing equipment warranties and guarantees, and for maintaining all warranties in new equipment purchased after the effective date of the Contract. Provisions shall be made to employ a comprehensive maintenance program. Within 90 days of start-up, the Bidder will have completed a full review of the existing maintenance management and work order management systems and made appropriate recommendations to the Town regarding the adequacy of such systems.
7. Provide comprehensive monthly recording and reporting to the Town's water distribution system and of wastewater collection systems parameters, maintenance plans and activities, equipment and parts inventories, manpower utilization and other relevant information in accordance with all applicable laws, regulations, ordinances, permits and guidelines.
8. Prepare detailed annual expenditure estimates and report actual expenditure amounts to the Town monthly. The annual lump sum price shall be subject to change only due to change in the scope of services, or changes to actual operating conditions. Bidders shall provide formulas and methodology for use in adjusting annual cost.
9. Meet with representatives of the Town on a monthly basis or as requested to review operations, reports and costs. Also conduct a yearly comprehensive water distribution system and waste water collection systems inspection with representatives of the Town to evaluate and document condition, safety, or other concerns.
10. At least annually and/or upon request by the Town, evaluate all water distribution system and

waste water collection systems equipment and buildings and notify the Town of specific capital expenditure needs for replacing or upgrading of structures, equipment, mechanical, electrical, HV AC, instrumentation, computer and communication systems.

11. Maintain professional, responsible and responsive working relationships with representatives of the Town, regulatory authorities, suppliers of material, utilities, and services, and citizens of the Town.
12. Actively pursue improvements in effectiveness, efficiency, and the cost of operations and maintenance, and share savings with the Town on a basis to be agreed upon.
13. Review and update where appropriate an Emergency Preparedness Plan for interaction and coordination with the appropriate agencies of the Town and other cooperative partners. Plan for and deal with any and all emergencies or abnormal conditions that may arise and use best efforts to maintain or restore normal operations in a timely fashion.
14. Assume and adequately insure for the risks and liabilities arising from the provision of the specified services. Provide indemnification to the Town (its officer, agents, and employees) from any loss or liability for damage or claims for personal injury, including death, as well as for claims for property damage which may arise from negligent acts or omissions of the Bidder in operating the water distribution system and the wastewater collection systems.
15. The Bidder shall provide a bond in the amount of one (1) years' service to the Town under the terms of the Contract. Such bond shall be security for the faithful performance of the work specified in the Contract.
16. Make provision for services to be provided during transition of operations to the Town or another Contractor in the event of termination or non-renewal of Contract.
17. The Bidder shall provide assistance to the Town in the development and implementation of the Town's capital improvements program at the Town's request. That work may include: a) participation in capital program strategic planning meetings; b) incorporating the knowledge achieved during the activities of operating and maintaining the water distribution system and the wastewater collection systems into recommendations for capital improvements for the systems; and c) providing planning services to include problem identification, evaluation of alternatives, life cycle cost analysis, recommendations, and assistance in the development of planning reports.
18. The Town will pay all utilities associated with the water distribution system and the waste water collection systems.
19. Provide yearly grease trap inspections for (10) commercial facilities.

C. Additional Services:

1. The Town reserves the right to approve/disapprove all subcontractor services required during the term of this contract.
2. All invoicing shall be submitted directly to the Town for payment.

7. COMPENSATION

A. The Following Definitions Apply:

1. Routine Maintenance: All work that is either in accordance with accepted industry practices or in accordance with the recommendations of the manufacturer.
2. Capital Expenditure: Work (not including emergency repairs or replacements) that is large enough in scope to require the input of a professional engineer.
3. Emergency Repair: Maintenance work that must be performed immediately to avoid undue risk to the following: excessive downtime, safety of personnel (regardless of employment status with the Bidder or Town); property damage to the Town or its citizens; damage to Waters of the State; or non-typical releases of odors that would offend citizens of the Town.

B. Compensation Shall Consist of Four (4) Parts:

1. Personnel Costs: This is labor and other personnel costs such as personal protective equipment for normal weeks. Bidder shall be reimbursed on a monthly lump sum basis regardless of whether or not the employee(s) in question worked full time. The amount for personnel costs are not subject to increase. Overtime compensation (more than 40 hours/person/week) shall only be paid with prior approval of the Town on an incident by incident basis. Bidders are expected to have sufficient personnel that employees acquiring hours worked in other locations cannot be used to substantiate overtime hours while working in our town.
2. Non-personnel Costs: This includes, but is not limited to, services for the removal of grit, screenings, sludge and other waste products; fuel, oil, lubricants, chemicals, and other products necessary to comply with local, State and Federal regulations.
3. Emergency Repairs and Natural Disasters
4. Capital Expenditures

C. Types of Compensation and Submittal Required:

1. Personnel Costs: The Bidder shall submit a lump sum monthly cost to include all fixed and variable personnel costs required for normal daily operations and routine maintenance.
2. Non-personnel Costs: The Bidder shall submit operating costs on a monthly basis for the wastewater system. These costs will be reimbursed on a direct basis.
3. Emergency Repairs and Natural Disasters: The Bidder shall submit an hourly rate for services related to emergency repairs performed outside of normal daily operations. These hours shall be those worked outside of the normal daily operations, holidays, and weekends. The Bidder shall be reimbursed directly for all expenses such as parts, supplies, equipment rental and subcontractors used during emergency repairs and natural disasters. The Bidder shall be reimbursed directly for all emergency responses unless the Town deems that the emergency

response resulted from negligence or a failure to perform routine maintenance on the part of the Bidder. The Town may require that the Bidder submit documentation of adherence to the approved quality control program as a pre-condition for providing compensation for emergency repairs.

4. Capital Expenditures: The Bidder shall submit an hourly rate for assistance and coordination with the Town's development and implementation of the ongoing asset management and capital improvement programs for the wastewater treatment facilities and wastewater collection systems.

D. Proposal Description

1. Bidders must provide a detailed estimate of the costs for the operation and/or maintenance of the wastewater treatment facilities, waste water collection systems and the water distribution system. Bidders must separately provide the proposed pricing for the capital improvement and emergency repairs and natural disaster activities.
2. In order to facilitate cost comparisons among Bidders, each Bidder must use the four (4) compensation categories referenced above when describing his costs.
3. Bidders are encouraged to propose, in addition to the required compensation submittal, innovative compensation arrangements that are consistent with the Town's objectives and that provide for appropriate financial incentives and penalties. While innovative compensation arrangements are requested, Contractors should ensure that any arrangements are also straightforward and easy to manage and monitor.
4. In submitting compensation proposals, Bidders must comply in all respects with applicable Federal, State, and local laws and regulations.

E. Expense Categories:

In preparing their Proposals, Bidders should consider the following items of expense:

1. Personnel - Includes, but is not limited to salaries, wages, overtime, unemployment compensation, holiday pay, meal allowance, education assistance, hospital, medical, dental plans, life insurance, retirement contributions, sick leave, and other costs directly attributable to employees. The Bidder must provide a sufficient number of qualified personnel, including management, technical, administrative, clerical, and laboratory personnel who meet applicable Federal and State standards and certifications to operate and maintain all applicable facilities.
2. Equipment - Includes, but is not limited to office equipment, laboratory equipment, safety equipment, communication equipment, maintenance equipment, mechanical equipment and manually operated equipment.
3. Materials and Supplies - Includes, but is not limited to gasoline and diesel fuel, vehicle supplies, vehicle accessories, office supplies, building and grounds maintenance supplies, duplicating and photo supplies, medical supplies, chemicals, laboratory supplies, clothing and uniforms, replacement parts, equipment maintenance supplies, spare parts, and other materials and

supplies.

4. Contractual - Includes, but is not limited to solid waste removal and disposal, equipment rentals, service agreements for equipment, repair services, maintenance services, temporary and/or part time help, legal fees, registrations, dues, subscriptions, postage and freight charges, advertising, printing and binding, insurance, structures and equipment, and other Contractual repairs.
5. Other - Includes all expenses not identified in any other specific cost category.

F. Capital Improvements:

In addition to the general compensation issues described above, the Contractor should also provide pricing information for capital improvement and natural disasters.

1. A schedule of fees for providing on-going coordination and assistance with the Town's development and implementation of its capital improvement program for the wastewater treatment facilities and the wastewater collection systems. The schedule should include a summary of the fees the Bidder would charge for individuals acting in the capacities of Project Manager, Construction Manager, and others deemed appropriate by the Bidder for on-call services.

G. Payment:

Town shall pay Bidder for the performance of Contract Services hereunder in accordance with the terms set forth below:

1. Town will make payment, within thirty (30) days to the Bidder on the basis of an invoice for the work performed during the preceding thirty (30) day period by the Bidder, and provided such invoice is submitted no later than the 15th of the month.
2. Any and all taxes now or hereafter imposed on the work to be performed and/or materials to be furnished or upon the Contract itself or any mater in connection therewith shall be paid by the Bidder, it being the intention of the parties hereto that in no event shall such taxes be borne by the Town.

8. CONTRACT RENEWAL AND TERMINATION

A. Duration:

The initial term of the Contract for each of the services is one (1) year with an option to extend in increments of one (1) year. The Contracts may contain provisions for negotiated extensions or renewals (that are not automatic) for additional terms.

B. Compensation:

The compensation of the Bidder shall remain fixed according to agreed upon rates during the initial one (1) year period. Compensation rates may change as negotiated during possible one (1) year extensions.

C. Termination:

The Town may terminate this Contract upon the occurrence of anyone or more of the following events:

1. If Bidder commences a voluntary case under any chapter of the Bankruptcy Code;
2. If Bidder makes a general assignment for the benefit of creditors;
3. If Bidder admits in writing an inability to pay its debts generally as they become due;
4. If Bidder persistently fails to perform the work in accordance with this RFP (including, but not limited, to failure to supply sufficient skilled workers or suitable materials or equipment);
5. If Bidder disregards Laws or Regulations of any public body having jurisdiction;
6. If Bidder fails to maintain all appropriate licenses and credentials required by local, State and Federal law;
7. Upon a minimum of thirty (30) days' written notice to Bidder, Town may, without cause and without prejudice to any right or remedy, elect to terminate the Contract. In such case, Bidder shall be paid for all work executed and only actual expense sustained.

9. MISCELLANEOUS ISSUES

A. Safety Records:

The Bidder(s) will maintain relevant and applicable safety records. The Bidder(s) must record the relevant details regarding any accidents or injuries. The Bidder(s) shall prepare a quarterly report for the Town detailing its safety records from the time of the last report.

B. Insurance:

The Contract(s) between the Town and the Bidder(s) shall provide for the inclusion of a comprehensive liability insurance policy naming the Bidder(s) and the Town as co-insured for personal injury and/or property damage in an amount to be determined.

C. Indemnity:

The Contract(s) between the Town and the Bidder(s) shall contain provisions to indemnify and hold harmless the Town and its agents, officers, assigns, attorneys and employees from any loss or liability for claims, damages, or lawsuits for reasons resulting from acts or omissions by the Bidder or its agents during the term of the Contract.

D. Contract Performance Review:

The Contract(s) between the Town and the Bidder(s) shall provide for a quarterly Contract performance review. If the Town determines that Contract performance has not been in full compliance, it will establish remedial steps for the Bidder(s). If the Bidder fails to take the necessary remedial action, the Town shall have sufficient grounds to terminate the Contract.

E. Property Owned by the Town:

All of the land, buildings, improvements, equipment, and other property that constitute the two (2) public works services, including any Town funded additions thereto, shall remain the property of the Town. All such necessary facilities shall be made available to the Bidder(s) for use in providing services under the Contract(s).

F. Expendable supplies and spare parts:

All supplies and spare parts that are on-hand on the day and date of the commencement of the Contract(s) shall be inventoried. Dependent on the Bidder's preference and the outcome of negotiations with the Town, segregation of that inventory may be necessary. The Bidder(s) shall have access to the materials associated with each business area without charge during the duration of the Contract(s). At the end of the Contract period(s), the inventories shall be replenished by the Bidder(s) at his or her expense. Replenishment of inventories shall take into account the fact that certain materials may have become obsolete and replaced with upgraded materials.

10. REQUIRED PROPOSAL FORMAT

A. General Requirements:

Proposals should generally be organized and outlined in the format described below and should contain information responsive to the RFP and the items listed below for each public works service. To the extent that a Bidder's submission would be the same for more than one (1) of the public works services, the Bidder should make reference to the relevant material rather than restate it.

B. Specific Proposal Format and Content:

In order to facilitate comparison and review of the Proposals, each Bidder should follow the general format, outlined below, with respect to his Proposal. The format and content should generally include:

1. Introduction (one page maximum)

- Bidder's name, address, telephone, fax, and e-mail.
Contact person for the Bidder's Proposal.
- Signature of contact person. (This signature will serve as verification that the Bidder is a legal entity, the Proposal is genuine and without collusion in all respects, the Bidder does not discriminate, the Proposal prices are genuine and were arrived at independently, that the contact person is authorized to act on the Bidder's behalf, and that the Proposal shall remain valid for at least 180 days unless otherwise extended by the Bidder and the Town.)

2. Supplemental Contractor qualifications and profile (five (5) pages maximum).

- Safety history.

- Description of existing labor-management relationships.
- Summary of successes with savings
- Description of circumstances, if any, where the Bidder has failed to complete work awarded under any operations and/or maintenance Contract.
- Description of circumstances, if any and resolution of litigation, including pending or threatened litigation, involving the Bidder in connection with any operations and/or maintenance Contract.
- Discussion and proof of financial strength, including ability to provide any necessary financial guarantees for the work outlined in the Proposal.

3. Discussion of technical issues, if any (three (3) pages maximum).

- Describe the quality control program that would be instituted for the two (2) services.
- Discuss plans for reducing operating costs.
- Discussion of technical or operational changes proposed, if any.
- Discussion of technology enhancements proposed, if any.

4. Discussion of capital improvement and master planning issues (three (3) pages maximum).

- Description of the Bidder's experience and ability to assist in the development of a capital improvement and master planning to meet the current and future needs of the Town.
- Discussion of suggestions regarding water treatment facilities capital improvement projects.
- Discussion of suggestions regarding wastewater treatment facilities capital improvement projects.
- Discussion of suggestions regarding the wastewater collection systems capital improvement projects.

5. Discussion of additional issues relevant to the Proposal process (three (3) pages maximum).

- Discussion of Bidder's innovative solutions, strategies or ideas.
- Discussion of Bidder's strategies regarding transition of operations. Discussion of strategies to streamline Contract management requirements while ensuring full Contract compliance.
- Discussion of strategies to benchmark the existing performance levels for the two (2) public works services and strategies to monitor performance improvements in the future.
- Discussion of other issues relevant to the evaluation of the Proposal.

6. Discussion of compensation issues ~two (2) pages maximum).

- Include a statement evidencing the Bidder's willingness to provide a bond counsel opinion that the Bidder's operation of the facilities and the fee arrangement (s) would not adversely affect any outstanding tax -exempt bonds or any future tax-exempt bonds.

7. Complete and submit the Plant Bid Sheet, which is attached to the RFP.